
TITLE 71 INDIANA HORSE RACING COMMISSION

Economic Impact Statement

LSA Document #14-230

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**Description of Rule:**

Under [IC 4-31-3-9](#), the Indiana Horse Racing Commission has the authority to adopt rules to implement [IC 4-31](#), including rules that prescribe:

- (A) the forms of wagering that are permitted;
- (B) the number of races;
- (C) the procedures for wagering;
- (D) the wagering information to be provided to the public;
- (E) fees for the issuance and renewal of:
 - (i) permits under [IC 4-31-5](#);
 - (ii) satellite facility licenses under [IC 4-31-5.5](#); and
 - (iii) licenses for racetrack personnel and racing participants under [IC 4-31-6](#);
- (F) investigative fees;
- (G) fines and penalties; and
- (H) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana.

The proposed rule readopts (without change) rules in anticipation of [IC 4-22-2.5-2](#), which provides that an administrative rule adopted under [IC 4-22-2](#) expires January 1 of the seventh year after the year in which the rule takes effect unless the rule contains an earlier expiration date. In July 2013, under [IC 4-22-2.5](#), the Indiana Horse Racing Commission initiated the process to readopt rules in LSA Document #13-345. Under [IC 4-22-2.5-4](#), the Indiana Horse Racing Commission received a written request to separately consider the following administrative rules. Under [IC 4-22-2.5-4\(b\)\(2\)](#), the Indiana Horse Racing Commission must now follow the procedure for adoption of administrative rules under [IC 4-22-2](#) with respect to the following administrative rules. In addition, this rule adds [71 IAC 5.5-1-10.1](#) which requires licensed employers carry workers' compensation insurance covering their employees as required by Indiana statute.

This rule: Readopts [71 IAC 1-1-52](#) and [71 IAC 1.5-1-50](#) regarding the definition of jurisdiction. Readopts [71 IAC 1.5-1-45](#) and [71 IAC 1-1-47](#) regarding the definition of horse. Readopts [71 IAC 1.5-1-52](#) and [71 IAC 1.5-1-53](#) defining maiden and maiden race. Readopts [71 IAC 1-1-42](#) and [71 IAC 1.5-1-38](#) defining financial interest. Readopts [71 IAC 1-1-105](#) and [71 IAC 1.5-1-100](#) defining substantial evidence. Readopts [71 IAC 2-7-1](#) and [71 IAC 2-8-1](#) regarding subpoenas and records. Readopts [71 IAC 3.5-3-10](#) regarding cancellation of a race. Readopts [71 IAC 5-1-6](#) and [71 IAC 5.5-1-6](#) regarding consent to search and seizure. Readopts [71 IAC 5-1-10](#) regarding workers' compensation requirements. Readopts [71 IAC 5-1-12](#) and [71 IAC 5.5-1-12](#) regarding license refusals. Readopts [71 IAC 5.5-1-13](#) regarding license denials. Readopts [71 IAC 5-1-17](#) and [71 IAC 5.5-1-17](#) regarding the duration of a license. Readopts [71 IAC 5-1-25](#) and [71 IAC 5.5-1-27](#) requiring knowledge of the rules. Readopts [71 IAC 5-2-6](#) and [71 IAC 5.5-2-6](#) regarding positive tests (owners). Readopts [71 IAC 8-1-2](#) and [71 IAC 8.5-1-2](#) prohibiting foreign substances. Readopts [71 IAC 8-1-7](#) and [71 IAC 8.5-1-7](#) regarding drug classifications and penalties. Readopts [71 IAC 8-3-1](#) and [71 IAC 8.5-2-1](#) regarding laboratory reports. Readopts [71 IAC 8-3-3](#) and [71 IAC 8.5-2-3](#) regarding the selection of horses tested. Readopts [71 IAC 8-3-4](#) and [71 IAC 8.5-2-4](#) regarding taking samples. Readopts [71 IAC 10-1-1](#) regarding hearings conducted by judges and stewards. Readopts [71 IAC 10-1-2](#) regarding suspensions. Readopts [71 IAC 10-2-1](#), [71 IAC 10-2-2](#), [71 IAC 10-2-4](#), [71 IAC 10-2-5](#), [71 IAC 10-2-6](#), [71 IAC 10-2-8](#), [71 IAC 10-2-8.1](#), [71 IAC 10-2-9](#), and [71 IAC 10-2-10](#) regarding due process in proceedings before the judges and stewards. Readopts [71 IAC 10-3-1](#), [71 IAC 10-3-2](#), [71 IAC 10-3-3](#), [71 IAC 10-3-4](#), [71 IAC 10-3-5](#), [71 IAC 10-3-6](#), [71 IAC 10-3-7](#), [71 IAC 10-3-8](#), [71 IAC 10-3-9](#), [71 IAC 10-3-10](#), [71 IAC 10-3-11](#), [71 IAC 10-3-12](#), [71 IAC 10-3-13](#), [71 IAC 10-3-14](#), [71 IAC 10-3-15](#), [71 IAC 10-3-16](#), [71 IAC 10-3-17](#), [71 IAC 10-3-18](#), [71 IAC 10-3-19](#), [71 IAC 10-3-20](#), and [71 IAC 10-3-21](#) regarding due process in proceedings before the Commission. Readopts [71 IAC 10-5-1](#), [71 IAC 10-5-2](#), [71 IAC 10-5-3](#), [71 IAC 10-5-4](#), [71 IAC 10-5-5](#), [71 IAC 10-5-6](#), and [71 IAC 10-5-7](#) regarding appearances by attorneys or representatives.

Economic Impact on Small Businesses**1. Estimate of the number of small businesses, classified by industry sector, that will be subject to the proposed rule.**

The Commission issues licenses to the following categories of licensee, who may meet the definition of a small business:

- Owners: 4,114
- Trainers: 548
- Owner/Trainer: 620

2. Estimate of the average annual reporting, record keeping, and other administrative costs that small businesses will incur to comply with the proposed rule.

The proposed rule adds no record keeping or reporting requirements.

3. Estimate of the total annual economic impact that compliance with the proposed rule will have on small businesses subject to the rule.

The proposed rules will have no fiscal impact on small businesses. With the exception of the addition of one rule, all rules included in this proposed rule are identical to rules currently in existence. The one rule that will be added requires our licensed employers carry workers' compensation insurance covering their employees as required by Indiana statute. The workers' compensation requirement does not establish an independent requirement to carry coverage. Rather, the proposed rule ([71 IAC 5.5-1-10.1](#)) provides that the Commission's licensed employers carry workers' compensation insurance coverage that is already independently required by the Department of Insurance (pursuant to [IC 27-7](#)).

4. Statement justifying any requirement or cost that is imposed on small businesses by the rule; and not expressly required by the statute authorizing the agency to adopt the rule; or any other state or federal law.

This rule will not add any expenses to small businesses.

5. Regulatory Flexibility Analysis

Other factors considered:

A. Establishment of less stringent compliance or reporting requirements for small businesses.

There is no change in compliance standards or reporting requirements associated with this rule revision.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

There are no schedules for compliance or reporting requirements associated with this rule revision.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

There are no schedules for compliance or reporting requirements associated with this rule revision.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

No performance standards, design standards, or operational standards are imposed on regulated entities associated with this rule revision.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

There are no costs associated with this proposed rule. The rule maintains the status quo in terms of regulation of licensees.

Conclusion

The proposed administrative rule readoption will have no financial effect on the regulated community in Indiana.

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